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Travis Wastewater Authority
Solano County, California
Sewer Revenue Bonds of 1976
\$7,165,000



Sale: June 22, 1976
Bartle Wells Associates



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NEW ISSUE:

**Travis Wastewater Authority
Solano County, California
\$7,165,000 Sewer Revenue Bonds of 1976**

These bonds are revenue bonds of the Travis Wastewater Authority, a joint powers agency organized under the laws of California by agreement between the City of Fairfield, California and the Fairfield-Suisun Sewer District. The proceeds of this bond issue will be used to secure sewerage service for Travis Air Force Base in the City of Fairfield. Revenues derive solely from contract payments by the United States Government to the authority.

In the opinion of bond counsel, interest on these bonds is taxable for federal income tax purposes and is exempt from California personal income taxes under present statutes, regulations, and judicial decisions.

DATED: June 1, 1976

DUE: June 1 as shown below:

RATINGS: Moody's _____
Standard & Poor's _____

Year	Amount	Rate	Yield or Price	Year	Amount	Rate	Yield or Price
1978.....	\$105,000	%	%	1991.....	\$275,000	%	%
1979.....	110,000			1992.....	300,000		
1980.....	125,000			1993.....	300,000		
1981.....	125,000			1994.....	325,000		
1982.....	125,000			1995.....	350,000		
1983.....	150,000			1996.....	400,000		
1984.....	150,000			1997.....	425,000		
1985.....	175,000			1998.....	450,000		
1986.....	175,000			1999.....	500,000		
1987.....	200,000			2000.....	525,000		
1988.....	200,000			2001.....	575,000		
1989.....	225,000			2002.....	625,000		
1990.....	250,000						

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Redemption: Bonds maturing on June 1, 1978 and June 1, 1979 (bonds numbered 1-43) are not subject to call prior to maturity. Bonds maturing on June 1, 1980 through June 1, 2002 (bonds numbered 44-1,433), are subject to call on any interest payment date on or after June 1, 1979, at par plus accrued interest.

Payment: The bonds are of \$5,000 denomination. Principal is payable annually beginning June 1, 1978. Interest coupons will be payable semiannually beginning December 1, 1976 at the main office of the fiscal agent, Wells Fargo Bank, N.A., San Francisco; and at the main offices of co-paying agents, Chemical Bank, New York and Continental Illinois National Bank and Trust Company, Chicago.

Registration: The bonds will be issued as coupon bonds, payable to bearer, or fully registered bonds in multiples of \$5,000 with privilege of interchange.

These bonds are offered for delivery when, as and if issued, subject to the legal opinion of Messrs. Wilson, Jones, Morton & Lynch, San Mateo, California approving the validity of the bonds and stating that interest on the bonds is taxable for federal income tax purposes and is exempt from California personal income taxes under present statutes, regulations, and judicial decisions.

Bids are to be received at 11:00 a.m., Tuesday, June 22, 1976 at the office of Bartle Wells Associates, 28th Floor, 100 Bush Street, San Francisco, California 94104.

DATED: May 24, 1976

[Bartle Wells Associates]
Sewage disp. Solano co.
Fed, st & loc interest Sewage
disposal
Invest. Public secur.

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TRAVIS WASTEWATER AUTHORITY

City of Fairfield
Solano County, California

Formed November 4, 1975

DIRECTORS

Bill Jenkins, *Chairman*
Manuel Campos
Gary Falati
Loyal Hanson
G. Ben Huber

PROFESSIONAL SERVICES

Wilson, Jones, Morton & Lynch, San Mateo,
Bond Counsel
James M. Montgomery, Consulting Engineers, Inc.,
Engineers
Bartle Wells Associates, San Francisco,
Municipal Financing Consultants

May 24, 1976

Official Statement prepared by

BARTLE WELLS ASSOCIATES
Municipal Financing Consultants
100 Bush Street, San Francisco, California 94104
(415) 981-5751

No dealer, broker, salesman or other person has been authorized by the authority to give any information or to make any representations, other than those contained in this official statement. If given or made, such other information or representations must not be relied upon as having been authorized by the authority. This official statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and opinions herein are subject to change without notice and neither the delivery of this official statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the authority since the date hereof.

INSTITUTIONAL AND FINANCIAL OVERVIEW

THE AGENCIES

Fairfield-Suisun Sewer District—a special district consisting of all territory within the Cities of Fairfield and Suisun City. The district was formed by a special act of the California Legislature in 1951. The district has broad powers to finance, construct, and operate sewage collection, treatment, disposal facilities, and stormwater collection and disposal systems inside and outside the district. The district governing board consists of ten persons who are the city council members of the two cities. The district currently owns and operates its own sewerage and sewage disposal facilities, including a treatment plant and collection system. However, the existing district treatment plant will be abandoned when the new wastewater treatment plant, currently under construction, is completed.

City of Fairfield Sewer Facilities Improvement District No. 1—an improvement district of the City of Fairfield, formed in 1972, and located in the western area of the city. The district encompasses approximately 2,725 acres; 2,510 acres of which comprises the Cordelia Properties, Ltd. lands which are the site of the proposed Cordelia Villages; and 215 acres of which are the Anheuser-Busch, Inc. industrial park site, on which a new brewery is being constructed. The improvement district governing board is the city council of Fairfield. The improvement district authorized \$25,000,000 of general obligation sewer bonds at a special election in 1972.

Travis Wastewater Authority—A joint powers authority formed under a joint exercise of powers agreement between the City of Fairfield and the Fairfield-Suisun Sewer District to provide sewer service to the Travis Air Force Base. The air base is located within the city limits in the eastern area of Fairfield. The governing board of the authority is the city council of Fairfield. The San Francisco Bay Area Water Quality Control Board has issued an order to the authority establishing urgent need for facilities. Under this order the authority may issue up to \$8,000,000 in non-voted 1941 Act revenue bonds. The authority has entered into a utility service contract with the United States Government to provide sewer service to Travis Air Force Base.

THE PROJECTS

The City of Fairfield, on behalf of Sewer Facilities Improvement District No. 1, is currently constructing a new sewage treatment plant and interceptors, pump stations, force mains and an outfall which are designed to transport wastewater from the existing Fairfield-Suisun Sewer District plant to the new treatment plant. The treatment plant is rated at 10.35 mgd; 1.6 mgd for the air base, 1.5 mgd for Anheuser-Busch, Inc. and 7.25 mgd for the community. The improvement district project is leased to the Fairfield-Suisun Sewer District.

The Travis Wastewater Authority is financing the Travis Air Force Base capacity charge for available space in the new treatment plant, and financing, constructing, and operating (through the sewer district lease) the transmission facilities which will transport raw sew-

age from Travis Air Force Base to the existing Fairfield-Suisun Sewer District interceptor system.

THE PROJECTS FINANCING

The City of Fairfield Sewer Facilities Improvement District No. 1 sold \$14,500,000 of Series A bonds in 1974, and is selling \$7,050,000 of Series B bonds on June 22, 1976. The two sales will comprise the financing of the local share of improvement district project financing. Approximately \$23,500,000 of federal and state grant funds are being received by the improvement district as construction progresses. The Travis Wastewater Authority bonds, \$7,165,000, will complete the project capital needs and finance the transmission facilities from the air base. The City of Fairfield sold \$5,000,000 of revenue anticipation notes in December of 1975 to finance construction cash flow during the negotiations with the air base. The notes are due and payable July 1, 1976.

Travis Wastewater Authority is selling \$7,165,000 of Sewer Revenue Bonds of 1976 on June 22, 1976, to finance the air base capacity charge and the transmission facilities.

SECURITY FOR THE FINANCING

The City of Fairfield Sewer Facilities Improvement District No. 1 Bonds, Series A and B, are secured by the lease of sewerage facilities to the Fairfield-Suisun Sewer District and the wastewater agreement between the City of Fairfield and Anheuser-Busch, Inc. Anheuser-Busch pays its capacity charge to the system, \$13,471,502 over 27 years at 6.6143 percent, or \$1,083,222 per year, as an industrial standby charge. This Anheuser payment is deposited directly in the bond service funds of Series A and B. The balance of the bond service is paid by the Fairfield-Suisun Sewer District in the form of a base rental payment.

The Travis Wastewater Authority Sewer Revenue Bonds of 1976 are secured by the utility service contract with the United States Government. The air base makes two payments: (1) a basic contract payment which amortizes the authority bonds, and (2) a user fee payment based on flow and strength of sewage which pays the air base share of operation, maintenance, and replacement of facilities.

REVENUE PLEDGES

Under the lease of sewerage facilities, the Fairfield-Suisun Sewer District covenants to maintain rates and charges sufficient to produce net revenues equal to 1.10 times the annual base rent. Under the wastewater agreement, Anheuser-Busch covenants to pay Fairfield-Suisun Sewer District user fee rates, and an annual industrial standby charge equal to \$1,083,222. In addition to general obligation security of the City of Fairfield Sewer Facilities Improvement District No. 1, the improvement district bonds, Series A and B, are secured by a pledge of all revenues from the lease of sewerage facilities and the wastewater agreement. Under the Travis Wastewater Authority indenture, the authority pledges the gross revenues of the authority to the bonds, which includes both the "basic contract amount" and the "user fee."

INTRODUCTION

This statement has been prepared to provide material financial information to prospective purchasers about the Travis Wastewater Authority and its \$7,165,000 Sewer Revenue Bonds of 1976. Neither the issuer nor any person on its behalf has been authorized to make any representation, express or implied, beyond what is contained in this statement. Included herein are:

- 1. Data supplied by the issuer and by other sources as indicated;*
- 2. Estimates and projections which may or may not be realized;*
- 3. Opinions not presented as assertions of fact; and*
- 4. Summaries or descriptions of legal and financial documents which do not purport to describe the documents completely and which are made expressly subject to the full provisions of the documents cited.*

This official statement does not constitute a recommendation to purchase or not to purchase the Sewer Revenue Bonds of 1976. The bonds described herein are the first issue of bonds by the authority.

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ISSUER: The Travis Wastewater Authority was created under a joint exercise of powers agreement between the City of Fairfield and the Fairfield-Suisun Sewer District to finance the Travis Air Force Base sewerage capacity charge and to provide sewerage service to Travis Air Force Base. The contract to provide sewer service and finance the capacity charge is between Travis Wastewater Authority and the United States Government, acting on behalf of Travis Air Force Base.

PURPOSE: The bonds are being issued to finance a sewerage capacity charge allocated to Travis Air Force Base. Proceeds from the bond sale will be used to complete the financing of the City of Fairfield Sewer Facilities Improvement District No. 1 sewerage project, currently under construction, and to finance transmission facilities from the air base. The sewerage project includes a sewage treatment plant, pumping stations, interceptors, force mains, and an outfall. The City of Fairfield Sewer Facilities Improvement District No. 1, Bonds of 1974, Series A were sold in 1974, and Series B is being offered

for sale simultaneously with the Travis Wastewater Authority bonds to complete the local share of project financing. Federal and state grants in excess of \$23,500,000 are being received under the grant contract with the City of Fairfield as construction progresses.

SECURITY FOR THE BONDS: The Travis Wastewater Authority bonds are secured solely by payments under a utility service contract between the United States Government and the Travis Wastewater Authority. Payments from the United States Government will be made by Travis Air Force Base to the authority. Payments will commence when the air base is connected to the sewerage system, which is currently scheduled for July 1, 1977. Bond interest from June 1, 1976 through July 1, 1977 is funded from bond proceeds.

This introduction is not intended to summarize the official statement. Further reference should be made to materials indexed under "Contents" and to the full text of the basic documents noted on the following page.

BASIC DOCUMENTS

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The following basic documents relate to the Travis Wastewater Authority \$7,165,000 Sewer Revenue Bonds of 1976:

UTILITY SERVICE CONTRACT: Department of the Air Force, Contract Number F04626-76-90154, between the Travis Wastewater Authority, referred to as the "Contractor", and the United States of America, referred to as "the Government", provides that the contractor shall furnish and the government shall purchase sewage disposal service. Exhibit A, Rate Schedule, provides for two different types of payments monthly by the government: (1) a "basic contract amount", which is the amortization of the Travis Wastewater Authority Sewer Revenue Bonds of 1976 over 25 years, commencing July 1, 1977, adjusted to reflect actual coupon rates and discount bid by the successful bidder for the bonds; and (2) a "monthly user fee" based on metered flow and strength of raw sewage delivered to the contractor at the rates charged by the Fairfield-Suisun Sewer District.

INDENTURE: The indenture, dated May 18, 1976, is created to state the terms of the authority's Sewer Revenue Bonds of 1976, to provide for the application of the proceeds from the sale of the bonds, and to establish the flow of funds received by the authority under the utility service contract.

JOINT EXERCISE OF POWERS AGREEMENT: An agreement, dated November 4, 1976,

between the City of Fairfield and the Fairfield-Suisun Sewer District which creates the authority, describes and limits its powers and purpose, and describes its service area.

OFFICIAL NOTICE OF SALE: The Official Notice of Sale adopted by resolution of the authority on May 24, 1976, sets the maturity schedule and terms of sale and delivery of the Sewer Revenue Bonds of 1976. Bond terms and limitations on interest rates, rate differences, and numbers of coupons are summarized.

LEGAL OPINION: The bonds are offered subject to the unqualified approving opinion of Messrs. Wilson, Jones, Morton & Lynch, bond counsel, San Mateo, California as to the validity of the bonds. See "*Legal Opinion*" in section entitled "The Bonds."

INTERNAL REVENUE SERVICE RULING: A private IRS ruling, reference number T:I:I:2:3, dated June 26, 1975, which rules that interest on bonds issued by the Colorado School of Mines is taxable, because the sole source of payments for the bonds is the United States Government.

The above summaries are offered subject to the provisions of the complete documents. Copies of the documents are available from Bartle Wells Associates upon request prior to the delivery of the bonds.

THE BONDS

Description: \$7,165,000 Travis Wastewater Authority Sewer Revenue Bonds of 1976, \$5,000 denomination.

Date: June 1, 1976.

Interest: Coupons payable December 1, 1976 and semiannually thereafter on June 1 and December 1. Maximum coupon 8 percent.

Bond Discount: 6 percent maximum.

Maturities: Annually on June 1 as follows:

Year	Amount	Year	Amount
1978.....	\$105,000	1991.....	\$275,000
1979.....	110,000	1992.....	300,000
1980.....	125,000	1993.....	300,000
1981.....	125,000	1994.....	325,000
1982.....	125,000	1995.....	350,000
1983.....	150,000	1996.....	400,000
1984.....	150,000	1997.....	425,000
1985.....	175,000	1998.....	450,000
1986.....	175,000	1999.....	500,000
1987.....	200,000	2000.....	525,000
1988.....	200,000	2001.....	575,000
1989.....	225,000	2002.....	625,000
1990.....	250,000		

Redemption: Bonds maturing on June 1, 1978 and June 1, 1979 (\$215,000), not callable. Bonds maturing June 1, 1980 through June 1, 2002 (\$6,950,000), callable as a whole or in part on any interest payment date on or after June 1, 1979, at par plus accrued interest.

In the event the United States Government pays the balance of the unpaid capacity charge, in full, to the Travis Wastewater Authority, all the bonds then outstanding will be called on the next succeeding interest payment date.

Registration: Issuable as coupon bonds, or fully registered bonds in the denomination of \$5,000 or any multiple thereof with privilege of interchange. The forms of bonds may be changed, or the bonds discharged from registration in accordance with the provisions of the indenture.

Purpose: Bond proceeds will be used to complete financing of the sewerage project presently being con-

structed by the City of Fairfield Sewer Facilities Improvement District No. 1 and to finance sewage transmission facilities.

Security: Bonds are secured by a gross revenue pledge of the Travis Wastewater Authority. The utility service contract with the United States Government provides for sewerage service to Travis Air Force Base and is the source of authority revenues. Payments by the United States Government, under that contract, include a monthly basic contract amount and a monthly user fee. The total of monthly payments of the basic contract amount is set equal to annual debt service on the bonds.

Tax Exemption: In the opinion of bond counsel, bond interest is exempt from California personal income taxes under existing statutes, regulations, and court decisions.

Taxable Interest: In the opinion of bond counsel, bond interest is taxable under present federal income tax rules under the private ruling in the case of the Colorado School of Mines dated June 26, 1975, reference number T:I:I:2:3, because the sole source of payment for the bonds is the United States Government.

Payment: At the main office of the fiscal agent, Wells Fargo Bank, N.A., San Francisco; and at the main offices of co-paying agents, Chemical Bank, New York, and Continental Illinois National Bank and Trust Company, Chicago.

Authority for Issuance: The bonds are revenue bonds of the Travis Wastewater Authority, an agency created under a joint exercise of powers agreement between the City of Fairfield and the Fairfield-Suisun Sewer District, dated November 4, 1975. The bonds are issued in accordance with Resolution 76-2, dated May 18, 1976, of the authority's board of directors. The San Francisco Bay Area Regional Water Quality Control Board issued an order establishing urgent need for the facilities under its powers. The order enables Travis Wastewater Authority to issue non-voted, 1941 Act revenue bonds, not to exceed \$8,000,000 in total.

Additional Bonds: No additional bonds may be issued as provided by the indenture, but these bonds may be refunded.

Comptroller of Currency: An application has been made to the U.S. Comptroller of the Currency to certify the bonds as eligible for purchase, dealing in, underwriting, and unlimited holding by national banks.

Legality for Investment: The bonds of the authority are certified by the State Superintendent of Banks as legal investments in California for trust funds, and for funds of all insurance companies, commercial and savings banks, and trust companies.

Legal Opinion: The unqualified legal opinion of Messrs. Wilson, Jones, Morton & Lynch of San Mateo, California, approving validity of the bonds will be made available to the purchasers at the time of the original delivery of the bonds. A copy of such opinion will be printed on each bond.

The statements of law and legal conclusions set forth herein under the captions "The Bonds," "The Indenture," and "The Utility Service Contract" have been reviewed by bond counsel.

Date of Sale: Tuesday, June 22, 1976, at 11:00 a.m., Pacific Daylight Time. Bonds will be awarded pursuant to the Official Notice of Sale adopted by the authority.

LITIGATION

There is no controversy or litigation pending or threatened concerning the validity of the bond issue, the organization of the authority, or the title of the officers to their respective offices, and the authority will furnish to the successful bidder a no-litigation certificate to the foregoing as of and at the time of delivery of the bonds.

CERTIFICATE

At the delivery of the bonds to the successful bidder, authority will furnish a certificate to the effect that at the time of sale of the bonds and at all times subsequent thereto up to and including the time of such delivery, the official statement did not contain any untrue statements of material fact, or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

TRAVIS WASTEWATER AUTHORITY SEWER REVENUE BONDS OF 1976 ESTIMATED BOND SERVICE

Year Ending May 31	Principal Outstanding	Interest Estimated at 8%	Principal Maturities	Annual Bond Service
1977.....	\$7,165,000	\$ 573,200 ^①	\$ —	\$ 573,200 ^①
1978.....	7,165,000	573,200	105,000 ^②	678,200
1979.....	7,060,000	564,800	110,000 ^②	674,800
1980.....	6,950,000	556,000	125,000	681,000
1981.....	6,825,000	546,000	125,000	671,000
1982.....	6,700,000	536,000	125,000	661,000
1983.....	6,575,000	526,000	150,000	676,000
1984.....	6,425,000	514,000	150,000	664,000
1985.....	6,275,000	502,000	175,000	677,000
1986.....	6,100,000	488,000	175,000	663,000
1987.....	5,925,000	474,000	200,000	674,000
1988.....	5,725,000	458,000	200,000	658,000
1989.....	5,525,000	442,000	225,000	667,000
1990.....	5,300,000	424,000	250,000	674,000
1991.....	5,050,000	404,000	275,000	679,000
1992.....	4,775,000	382,000	300,000	682,000
1993.....	4,475,000	358,000	300,000	658,000
1994.....	4,175,000	334,000	325,000	659,000
1995.....	3,850,000	308,000	350,000	658,000
1996.....	3,500,000	280,000	400,000	680,000
1997.....	3,100,000	248,000	425,000	673,000
1998.....	2,675,000	214,000	450,000	664,000
1999.....	2,225,000	178,000	500,000	678,000
2000.....	1,725,000	138,000	525,000	663,000
2001.....	1,200,000	96,000	575,000	671,000
2002.....	625,000	50,000	625,000	675,000
		<u>\$10,167,200</u>	<u>\$7,165,000</u>	<u>\$17,332,200</u>

^① Funded from bond proceeds.

^② Noncallable bonds. All other bonds are callable on any interest payment date, at par, plus accrued interest.

In this and the following sections of this statement, reference is made to the indenture, the utility service contract, the project and the bonds. In all instances, unless the reference is explicitly limited, references are intended as follows:

- *Reference to the indenture refers to Resolution No. 76-2, a resolution providing for the issuance of \$7,165,000 of Travis Wastewater Authority Sewer Revenue Bonds of 1976;*
- *Reference to the utility service contract refers to the utility service contract between the Travis Wastewater Authority and the United States of America, to provide sewer service to Travis Air Force Base, Fairfield, California.*
- *Reference to the project includes: (1) the City of Fairfield Sewer Facilities Improvement District No. 1 sewerage project currently under construction, and (2) the transmission facilities construction project which will transport raw sewage from Travis Air Force Base to the Fairfield-Suisun Sewer District interceptor system, and to the sewage treatment plant.*
- *Reference to bonds includes the Travis Wastewater Authority Sewer Revenue Bonds of 1976 only.*

Resolution No. 76-2, a resolution providing for the issuance of \$7,165,000 Travis Wastewater Authority Sewer Revenue Bonds of 1976 provides for the sale of these bonds and their refunding. It prescribes terms and conditions of the bonds, disposition of bond proceeds, allocation of revenues to funds, pledge of utility service contract payments from the United States Government to the bonds, other covenants of the authority, and duties of the fiscal agent. For a full statement of these and other

provisions, reference should be made to the text of the documents themselves.

REVENUE PLEDGE

The indenture pledges all of the revenues from the utility service contract and other revenues of the authority arising from the project, including any interest monies of the project to pay principal and interest on the bonds.

CREATION OF FUNDS

The indenture requires that bond sale proceeds and all subsequent revenues from the utility service contract and other revenues of the authority arising from the project be deposited by the authority's treasurer and fiscal agent and allocated among specified funds:

- *Bonds Fund* — held by the fiscal agent; used to pay interest and principal on the bonds when due;
- *RAN Special Fund* — held by the Bank of America N.T. & S.A., fiscal agent for the City of Fairfield Revenue Anticipation Note Special Fund created pursuant to the Resolution No. 75-103 of the city council of Fairfield (referred to as the RAN Account);
- *Transmission Phase Construction Fund* — held by the treasurer; used to meet acquisition costs, construction costs and incidental costs of constructing transmission facilities to connect Travis Air Force Base with the Fairfield-Suisun Sewer District interceptor system;
- *Revenue Fund* — held by the treasurer; used to receive all revenues from the utility service contract and all other revenues for the authority;
- *Maintenance and Operation Fund* — held by the treasurer; used to pay for management, operation, maintenance and replacement of sewerage facilities.

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ALLOCATION OF BOND PROCEEDS

From the sale of the Sewer Revenue Bonds of 1976, net proceeds will be paid to the authority's treasurer, who will apply them according to the indenture:

- *Bond Fund* — (1) all accrued interest paid by the purchaser from the date of the bonds to the date of delivery of the bonds; (2) any premium on the sale of the bonds; (3) \$620,967, an amount equal to interest at 8 percent of the bonds from their date to July 1, 1977; (4) any part of the allowed 6 percent discount not taken by the purchaser of the bonds;
- *RAN Account* — \$3,884,133 representing a net cost share of the Travis capacity charge attributed to the common facilities being constructed by the community;
- *Transmission Phase Construction Fund* — balance of the bond proceeds not allocated above.

ALLOCATION OF REVENUES

The treasurer receives all revenues of the authority from the utility service contract and all other revenues of the authority. He allocates the revenues monthly to:

- *Bond Fund* — beginning July 1, 1977 the treasurer deposits with the fiscal agent an equal *aliquot* part of the principal and of the interest due on the next principal and interest payment dates.
- *Maintenance Funds* — at the end of each month, the treasurer pays the Fairfield-Suisun Sewer District any moneys remaining in the Revenue Fund for application

to the expenses of the management, operation, maintenance and replacement of sewerage facilities.

COVENANTS BY THE AUTHORITY

The indenture sets forth other covenants by the authority for the protection of the bondholders, among which are the following:

- To acquire the project.
- To operate the project in an efficient and economical manner.
- To preserve and protect the security of the bonds and the rights of the bondholders.
- To pay principal and interest on the bonds when due.
- To pay and discharge any and all lawful claims against the authority to the end that the priority and security of the bonds are fully preserved and protected.
- To provide no free service.
- To permit no competition.
- To procure and keep in force insurance on all buildings and structures of the project in order to provide adequate protection to the bondholders.
- To employ certified public accountants to prepare annual reports and audit the books of the authority.
- To file such audits and reports with the treasurer, fiscal agent, contracting officer of the air base, and the District Securities Division of the Office of the State Treasurer, if the bonds shall be at any time certified by the D.S.D., and to make these reports available to bondholders on request.

NO ADDITIONAL BONDS; REFUNDING BONDS

No additional bonds shall be issued or other obligation incurred which shall be payable from the revenues of the authority, other than refunding bonds.

Refunding bonds may be issued as provided by the indenture. Such refunding bonds shall be on a parity lien with the refunded bonds. The amount of such refunding bonds shall be the sum of the principal amount of the bonds to be refunded, plus all expenses incidental to calling and retiring the outstanding bonds, plus all interest on the refunding bonds from their date to the call date for the refunded bonds.

AMENDMENT

The indenture may not be amended nor altered in any way which might impair the rights of the bondholders without prior consent given at a bondholders meeting attended by holders of at least two-thirds of the aggregate amount of the bonds then outstanding. The indenture details the procedure for calling and holding bondholder meetings.

For a complete statement of the provisions of the indenture, reference is made to the document included in an appendix under separate cover.

THE UTILITY SERVICE CONTRACT

The agreement is made between the United States Government and Travis Wastewater Authority. The authority agrees to furnish, and the federal government agrees to purchase and receive sewage disposal service. The agreement provides for the federal government to furnish and install the meter to measure the flow of sewage from the base. The authority agrees to furnish and install transmission facilities, and to provide treatment facilities in conformity with federal, state, and local laws, rules, and regulations.

The basic contract payments run for 25 years from the beginning of service to the air base. The authority plans to complete construction of its facilities to the air base in time to commence service on July 1, 1977.

TERMINATION LIABILITY

- *Termination by the Authority:* If the authority terminates the agreement or defaults in performance, the federal government will have no obligation to pay the connection obligation.
- *Termination Prior to Completion of Facilities:* If the federal government terminates the agreement before completion of the facilities, it will pay the authority fair compensation for work completed.
- *Termination Subsequent to Completion of Facilities:* If the federal government terminates the agreement before 25 years, it will pay the balance of the outstanding authority bonds plus interest to their date of call.
- *If the Air Base Capacity Need Declines:* If the air base capacity need declines, and if the authority allows new customers to use the excess capacity, the termination charge (an amount equal to the principal of the bonds then outstanding plus interest to their earliest possible call date) will be negotiated downward. The authority

has covenanted against any renegotiation which would be harmful to the bondholders in any way.

- *If the Travis Air Force Base Ceases to Function as an Air Force Base:*

1. The federal government will pay the termination charge unless the contract is assumed by a responsible federal or state agency.

2. The federal government will pay the termination charge, unless a private agency or local governmental agency offers to assume the contract and the authority accepts that assumption of obligation. However, if the authority does not accept the private agency or local governmental agency, and the federal government pays the termination charge, the authority must reimburse the federal government for any amounts received from the private agency or local governmental agency for facilities for which the federal government has paid.

SEWERAGE SERVICE SPECIFICATIONS

The agreement specifies an average daily flow of 1.6 mgd and an estimated annual flow of 584,000,000 gallons, with capacity in the authority's facilities to handle a daily peak flow not to exceed 2.5 mgd. The authority is responsible for meeting the effluent requirements of federal, state, and local regulatory agencies. The connecting sewer is to be 21 inches in diameter.

RATE SCHEDULE

The basic contract amount is not to exceed \$16,759,000, based on:

1. A firm fixed amount for sewage treatment facilities and related delivery systems described in the "Sewerage Service Specifications" above, including construction, engineering, and contingency related financing costs.

2. An estimated \$752,595 financing charge of the federal government portion of the sewerage system from the date of the bonds to the date of connection, 13 months. This amount is based on the coupon rate limit of 8 percent and the discount rate limit of 6 percent provided in the Revenue Bond Act of 1941. If the coupon rates bid on the bonds result in an average interest rate of less than 8 percent and/or if the full allowed 6 percent discount is not taken by the successful bidder on the bonds, the federal government is credited for the difference.

The federal government is credited for 17.720806 percent of any interest earned on Series A funds. Likewise, the federal government is credited for any savings in interest rate and/or discount on the authority bonds, and any resulting savings in funded interest from the date of the bonds to July 1, 1977.

3. The estimated interest cost over the life of the bonds is \$9,594,000, including maximum coupons at 8 percent and maximum discount at 6 percent. These calculations are all based on an authority bond issue of \$7,165,000.

The monthly user fee is computed from the Fairfield-Suisun Sewer District rate ordinance which specifies a dwelling unit equivalent to be 350 gallons per day, with a sewage strength of 290 mg/1 of BOD and 210 mg/1 of SS. The air base's 1.6 mgd is equal to 4,571 domestic dwelling units.

1. The rate per dwelling unit from July 1, 1977 through June 30, 1978 will be \$4.50 per month (\$246,-834 per year). This includes \$2.85 for operation and

maintenance cost and \$1.65 to cover the replacement factor required in EPA regulations and the State of California Revenue Program Guidelines regulations of the State Water Quality Control Board. This replacement factor, estimated at \$90,506 per year, is in conflict with Armed Service Procurement Regulations. Therefore, the replacement factor funds are to be set aside in a separate, interest drawing account of the authority until the conflict is resolved.

2. On July 1, 1978, the rate will increase to \$5.00 per month per dwelling unit equivalent (\$274,260 per year), if the same rate is applied to all other users of the system. The reservation regarding the replacement factor still applies to the rate on and after July 1, 1978, with the further provision that if the conflict is resolved in favor of the air base, the \$5.00 per month per d.u.e. rate will be reduced.

The Rate Schedule also includes the following note:

Note 1: This note provides for the payment by the federal government of a lump sum in lieu of the balance remaining of the \$16,759,000 basic contract amount, any time after June 1, 1979, and prior to completion of the 25 year period. The authority is obligated to call the bonds upon payment of the lump sum. And the minimum notification of intention to pay the lump sum is 65 days prior to any interest date on or after June 1, 1979. If the lump sum payment is made, the "user fee" section of the contract rate schedule continues.



One of the 40 authorized C-5 Galaxy aircraft of the Military Airlift Command based at Travis AFB. The airbase is one of three in the world to which the C-5 Galaxy is assigned. Travis AFB is headquarters for 22nd Air Force of MAC, 60th Military Airlift Wing of MAC, and 916th Air Refueling Squadron of SAC. The Air Force's investment at Travis AFB exceeds \$2.388 billion in land, improvements and equipment.

The City of Fairfield Sewer Facilities Improvement District No. 1 is completing construction of a 10.35 mgd sewage treatment plant and related interceptor, pump station and force main, and outfall project. Total construction contract costs plus land are \$38,650,000. Engineering, contingencies, and financing costs are \$10,462,135. The cost of financing the Travis Air Force Base share of the improvement district project adds another \$424,735. The total improvement district project cost is \$49,536,870.

ALLOCATION OF PROJECT COSTS

Project construction costs which include treatment plant, interceptor, pump station, force main, and land costs were allocated on the basis of assigned capacities. All incidentals, including engineering, contingencies, and financing costs were allocated on the basis of each user's construction cost percentage. The federal and state grant eligibility extends only to non-financing incidentals beyond actual construction project costs. Land and incidental financing costs are excluded from grant eligibility.

The basis for allocation of incidental costs related to financing is shown in the cost allocation table on page 17. Referring to columnar headings in the table:

- *Grant Eligible Costs* — refers to those costs included in the federal grant contract between the City of Fairfield and EPA and the state grant contract between the city and the State Water Quality Control Board. Under EPA regulations, \$26,918,499 of project costs are estimated to be grant eligible, and 75 percent of these grant eligible costs are being funded with a federal grant. Another 12.5 percent of grant eligible costs are being funded with a state grant. The total grant funding is estimated to be \$23,553,687.

- *Local Share* — 12.5 percent, \$2,890,000, is the local share of grant eligible costs paid by the community. Neither Anheuser-Busch, Inc. nor Travis Air Force Base will participate in these local costs or benefit directly from the grants.

- *Community Reserve* — \$1,936,820 is the estimated construction cost for that portion of capacity which, at the community's option, is available for future growth.

- *Anheuser-Busch, Inc.* — allocation is based on the analysis by consulting engineers of actual plant design and construction costs. The analysis allocates treatment plant component costs on the basis of wastewater characteristics of the users. The consulting engineers allocated \$9,737,000 of plant construction contract cost to Anheuser-Busch, Inc. The plant cost plus the cost of the interceptor from the brewery to the treatment plant and proportional share of land costs totals \$10,329,000 for Anheuser-Busch, Inc.

- *Travis Air Force Base* — is not grant eligible under EPA regulations. Even though there was no contract with the United States at the time construction began on the project, the plant had to be designed and constructed to handle the air base flows in order to qualify for a grant as a subregional wastewater facility. After lengthy negotiations with the air base, \$3,264,180 in construction costs were allocated to the air base. The assumption is that the air base sewage will be domestic strength; i.e., 350 gpd with 290 mg/l of BOD and 210 mg/l of SS per dwelling unit equivalent. In addition to the share of improvement district project costs for common facilities, the air base has contracted to pay the transmission facilities cost and all financing costs attributed to the Travis Wastewater Authority financing.

SOURCES OF FUNDS

The project cost tabulation on page 15 shows a total of \$52,444,199 including both the improvement district project and the authority transmission facilities project.

The improvement district sold \$14,500,000 of Series A bonds in 1974, and is selling \$7,050,000 of Series B bonds on June 22, 1976. The improvement district is financing the community's 12.5 percent of the grant eligible projects costs, the community reserve, and the Anheuser-Busch, Inc. costs with \$21,550,000 of bonds.

The authority is selling \$7,165,000 of sewer revenue bonds on June 22, 1976 to finance the air base share of costs.

Federal and state grant payments being received as construction progresses under the grant contracts are estimated at \$23,553,687.

During the course of construction, subsequent to sale of the improvement district's Series A bonds, the Series A funds have earned approximately \$1,000,000 of interest on investments. Funds available to complete construction total \$53,268,687, providing a working reserve of \$824,488 available to the projects.

Total construction costs and amount of grant funds received will be affected by the actual contingency ex-

penses. Also, the air base will be credited for financing savings realized by the authority, as provided in the utility service contract. Therefore, the actual amount of money remaining in the construction funds after the projects are completed may be less than the indicated \$824,488.

DISPOSITION OF BOND PROCEEDS

The authority's indenture provides for the distribution of bond proceeds as shown below. The RAN Account deposit refers to the repayment of the air base's share of a \$5,000,000 revenue anticipation note sold by the City of Fairfield in December 1975 and payable July 1, 1976. The balance of the RAN repayment, \$1,115,867 is being deposited out of the proceeds from the sale of the improvement district's Series B bonds.

Allowed bond discount (6%)	\$ 429,900
Funded interest, 6/1/76 - 7/1/77	
(8%)	620,967
RAN Account deposit	3,884,133
Transmission facilities	2,230,000
Total Amount of Bonds	\$7,165,000

New wastewater treatment plant scheduled for completion August 1976. The plant is an advanced treatment facility which will produce agricultural irrigation water. (Photo by Skyview Photos II, Napa, California, taken April 24, 1976.)



CITY OF FAIRFIELD SEWER FACILITIES IMPROVEMENT DISTRICT NO. 1
SEWERAGE CONSTRUCTION COST ALLOCATION

	Grant Eligible Costs			Other Costs			
	Federal and State Grant 87.5 Percent	Local Share 12.5 Percent	Total	Anheuser- Busch, Inc.	Travis Air Force Base	Community Reserve	Total
Construction Costs							
Wastewater treatment plant.....	\$16,440,375	\$2,348,625	\$18,789,000	\$ 9,737,000	\$2,852,180	\$ 857,820	\$32,236,000
Anheuser-Busch, Inc. interceptor.....	—	—	—	310,000	—	—	310,000
Suisun pump station.....	1,386,000	198,000	1,584,000	—	202,000	16,000	1,802,000
Suisun force main.....	1,006,250	143,750	1,150,000	—	111,000	146,000	1,407,000
Cordelia pump station.....	649,250	92,750	742,000	—	—	176,000	918,000
Cordelia force main.....	748,125	106,875	855,000	—	—	292,000	1,147,000
Land	—	—	—	282,000	99,000	449,000	830,000
Subtotal Construction	\$20,230,000	\$2,890,000	\$23,120,000	\$10,329,000	\$3,264,180	\$1,936,820	\$38,650,000
Engineering, Financing, Contingencies							
Engineering	\$ 1,892,670	\$ 270,381	\$ 2,163,051	\$ 966,356	\$ 305,389	\$ 181,204	\$ 3,616,000 ^①
Contingencies	1,431,017	204,431	1,635,448	730,646	230,900	137,006	2,734,000 ^②
Funded interest, Series A.....	—	304,366 ^③	—	1,087,820	343,773	203,981	1,939,940 ^④
Reserve Fund, Series A.....	—	—	—	—	—	1,298,570	1,298,570 ^⑤
Reserve Fund, Series B.....	—	—	—	—	—	660,500	660,500 ^⑥
Interest on note.....	—	33,438 ^⑦	—	119,510	37,767	22,410	213,125 ^⑧
Subtotal Incidental w/o Travis Wastewater Authority Financing..	\$ 3,323,687	\$ 812,616	\$ 3,798,499	\$ 2,904,332	\$ 917,829	\$2,503,671	\$10,462,135
Subtotal Project w/o Travis Wastewater Authority Financing....	\$23,553,687	\$3,702,616	\$26,918,499	\$13,233,332	\$4,182,009	\$4,440,491	\$49,112,135
Interest on Travis common facilities at 8%.....	—	66,639 ^⑨	—	238,170	75,266	44,660	424,735 ^⑩
Subtotal Common Facilities.....	\$23,553,687	\$3,769,255	\$26,918,499	\$13,471,502	\$4,257,275	\$4,485,151	\$49,536,870
Travis Air Force Base							
Discount Travis common facilities at 6%.....	\$ —	\$ —	\$ —	\$ —	\$ 294,048	\$ —	\$ 294,048 ^⑪
Travis transmission facilities construction	—	—	—	—	1,903,380	—	1,903,380 ^⑫
Travis transmission facilities engineering and contingencies.....	—	—	—	—	326,620	—	326,620 ^⑬
Travis transmission facilities discount at 6%	—	—	—	—	156,797	—	156,797 ^⑭
Travis transmission facilities interest at 8%	—	—	—	—	226,484	—	226,484 ^⑮
Grand Total Project Cost.....	\$23,553,687	\$3,769,255	\$26,918,499	\$13,471,502	\$7,164,604	\$4,485,151	\$52,444,199
Travis Wastewater Authority Bond Amount.....					\$7,165,000		
Series B Bond Amount.....							\$ 7,050,000

① $(\$3,616,000 + \$38,650,000) \times \text{Subtotal Construction} = \text{allocation to identified user. (9.355757\%)}$

② $(\$2,734,000 + \$38,650,000) \times \text{Subtotal Construction} = \text{allocation to identified user. (7.073739\%)}$

③ $(\$1,939,940 + \$18,420,000) \times \text{Subtotal Construction} = \text{allocation to identified user; } (\$2,890,000 + \$10,329,000 + \$3,264,180 + \$1,936,820 = \$18,420,000) (10.531705\%)$

④ Reserve funds to community.

⑤ $(\$213,125 + \$18,420,000) \times \text{Subtotal Construction} = \text{allocation to identified user. (1.157030\%)}$

⑥ $1.000 - [(0.08 \times 13/12) + 0.06] = 0.853333$; $\$4,182,009 + 0.853333 = \$4,900,792$; $(\$4,900 \times .08) \times 13/12 = \$424,735$; $(\$424,735 + \$18,420,000) \times \text{Subtotal Construction} = \text{allocation to identified user. (2.305838\%)}$

⑦ Travis costs exclusively.

⑧ Not grant eligible.

REVENUES AND EXPENSES

The following table of sewer district revenues and expenditures shows the history of district finances for the past seven years and a projection through June 30, 1982. The revenues include an industrial standby charge which will be paid directly to the city acting for the improvement district by Anheuser-Busch, Inc. and a contemplated tax levy to cover existing outstanding debt service.

The connection charges shown represent an aggregate, per dwelling unit equivalent, of the connection charge and the main extension charge. With planned increases in the basic service charge, district revenues are estimated to provide the coverage shown. The connection charge revenues assume there will be 850 new dwelling unit-equivalent connections each year. Travis Waste-water Authority revenues commence in 1977/78. There

FAIRFIELD-SUISUN SEWER DISTRICT REVENUE AND EXPENSE ESTIMATES BASED ON CURRENT RATE ORDINANCE

	1968/69	1969/70	1970/71	1971/72	1972/73	1973/74
Assessed Value (net secured only in \$000)①	\$51,314	\$51,239	\$57,974	\$61,170	\$72,622	\$78,913
Number of D.U.E.'s	11,440	11,670	11,780	11,670	12,670	12,740
Annual sewer service charge	\$18	\$18	\$18	\$18	\$18	\$18
Connection charge	\$200	\$250	\$300	\$350	\$400	\$450
Tax rate per \$100 of assessed value	—	—	—	—	—	—
Revenue (000)						
16 Tax levy②	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Connection charge	81	59	170	225	189	163
D.U.E. sewer service charge③	206	210	212	210	228	344
Industrial high strength charge④	—	—	—	—	—	—
Industrial standby charge⑤	—	—	—	—	—	—
Travis bond service charge⑥	—	—	—	—	—	—
Interest and other revenue	28	31	26	13	7	31
Total Revenue	\$ 315	\$ 300	\$ 408	\$ 448	\$ 424	\$ 538
Expense (000)						
Operation and maintenance	\$ 101	\$ 120	\$160	\$155	\$154	\$ 227
Old debt service⑦	177	184	206	202	200	201
Series A debt service	—	—	—	—	—	—
Series B debt service	36	—	—	61	12	—
TWA debt service⑧	—	—	—	—	—	—
WCRF⑨	—	—	—	—	—	—
Total Expense	\$ 314	\$ 304	\$ 366	\$ 418	\$ 366	\$ 428
Net Revenue (000)	\$ 1	(\$ 4)	\$ 42	\$ 30	\$ 58	\$ 110
Cumulative Cash Surplus (000)	n.a.	n.a.	n.a.	n.a.	n.a.	\$ 745
Net Revenue Coverage⑩						

① Assessed value through 1975/76 actual secured and unsecured only.

② Estimated secured assessed value only, projected at 4% per year and \$10,000,000 is added for the Anheuser-Busch, Inc. brewery.

③ Increased in D.U.E.'s due to new ordinance; reflects change in D.U.E. charge system.

④ Increased due to Anheuser-Busch, Inc. counted ⅔ of year.

⑤ Increase due to ⅓ additional Anheuser-Busch, Inc. and Travis Air Force Base.

⑥ Growth estimated at 850 new connections per year.

⑦ Sewer district adopted policy in 1974 to levy taxes for old debt service.

⑧ Estimate based on 850 new connections per year, or their equivalent.

⑨ Annual sewer service charge × number of D.U.E.'s.

are 4,571 dwelling unit equivalents estimated for Travis Air Force Base in 1977/78 and thereafter. Travis bond service charge and Travis Wastewater Authority debt service also commence in 1977/78.

Reference should be made to the Fairfield-Suisun Sewer District audit, Appendix A of this official statement.

1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82	
\$84,730	\$101,990	\$122,460 ^②	\$137,358 ^②	\$142,452 ^②	\$147,750 ^②	\$153,260 ^②	\$158,991 ^②	
15,280 ^③	15,880	18,026 ^④	27,764 ^⑤	28,614 ^⑥	29,464 ^⑥	30,314 ^⑥	31,164 ^⑥	
\$36	\$42	\$48	\$54	\$60	\$60	\$60	\$60	
\$500	\$550	\$600	\$650	\$700	\$750	\$800	\$850	
\$0.228	\$0.210	\$0.159	\$0.146	\$0.138	\$0.133	\$0.125	\$0.124	
\$ 186	\$ 204	\$ 195	\$ 200	\$ 196	\$ 196	\$ 191	\$ 197	17
135	200	510 ^⑧	553 ^⑧	595 ^⑧	638 ^⑧	680 ^⑧	723 ^⑧	
550	667	883	1,499	1,716	1,768	1,819	1,870	
—	—	263	394	421	451	483	516	
—	—	1,805 ^⑨	1,083	1,083	1,083	1,083	1,083	
—	—	—	678	675	681	671	661	
110	75	94 ^⑩	90 ^⑩	89 ^⑩	101 ^⑩	115 ^⑩	133 ^⑩	
\$ 981	\$ 1,146	\$ 3,750	\$ 4,497	\$ 4,775	\$ 4,918	\$ 5,042	\$ 5,183	
\$ 251	\$ 321	\$ 1,050	\$ 1,050	\$ 1,134	\$ 1,226	\$ 1,334	\$ 1,432	
207	204	195	200	196	196	191	197	
—	Funded	1,120	1,179	1,234	1,286	1,299	1,291	
—	—	614	681	654	671	661	676	
—	—	Funded	678	675	681	671	661	
—	—	852	742	622	577	532	467	
\$ 458	\$ 525	\$ 3,831	\$ 4,530	\$ 4,515	\$ 4,637	\$ 4,688	\$ 4,724	
\$ 523	\$ 621	(\$ 81)	(\$ 33)	\$ 260	\$ 281	\$ 354	\$ 459	
\$ 1,268	\$ 1,889	\$ 1,808	\$ 1,775	\$ 2,035	\$ 2,316	\$ 2,670	\$ 3,129	
.....		2.15	2.10	2.17	2.11	2.10	2.14	

② Based on excess BOD and SS of Anheuser-Busch, Inc. only. Other excess BOD and SS will be charged to and paid by both commercial and industrial customers.

③ Anheuser-Busch, Inc. payment for 27 years.

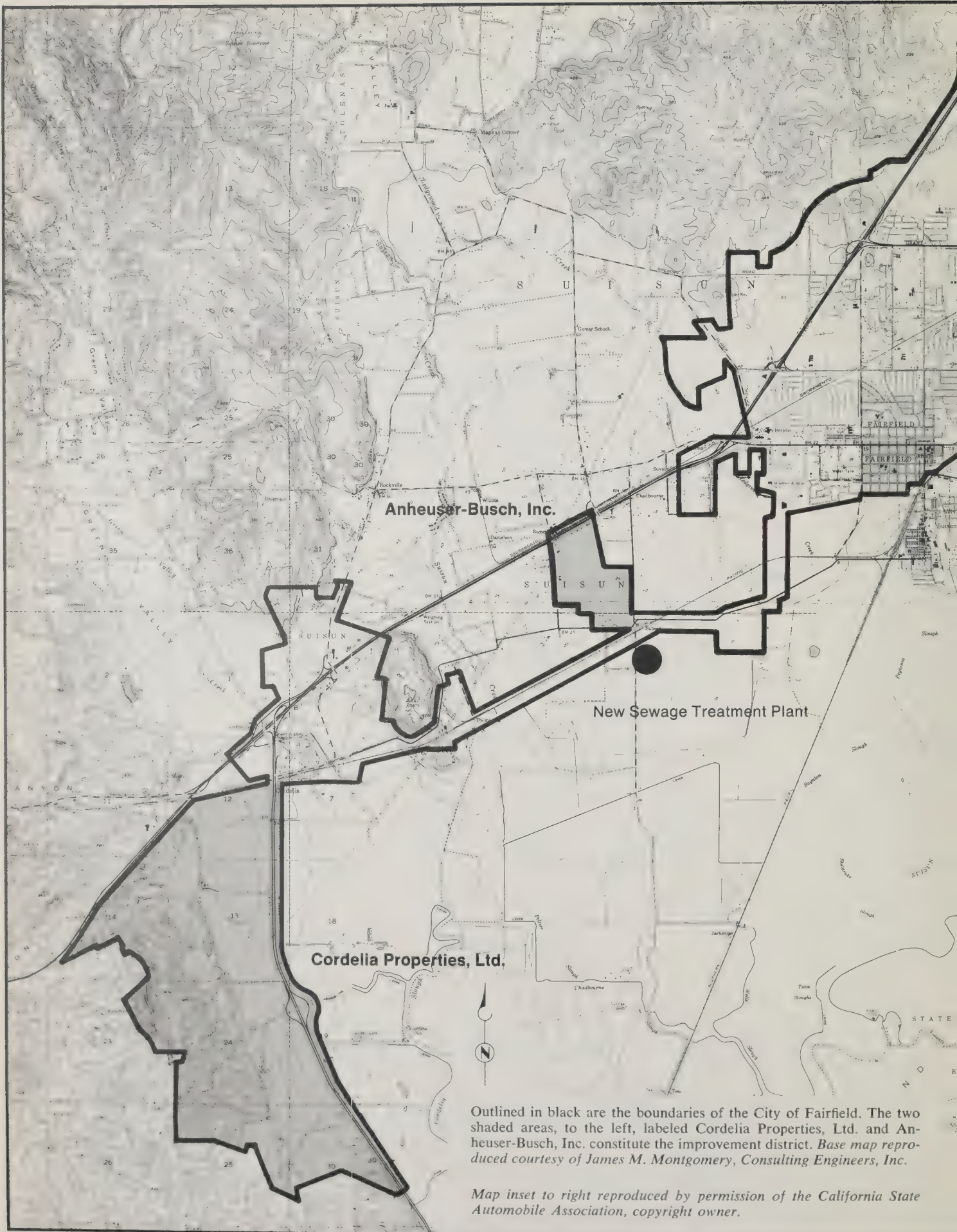
④ Anheuser-Busch, Inc. payment for 5/3 of a year.

⑤ Travis basic contract charge to amortize authority bonds.

⑥ WCRF (Wastewater Capital Reserve Fund) required funding by SWQCB of depreciation less debt principal payments. Also required by EPA regulations referring to "r", the replacement factor.

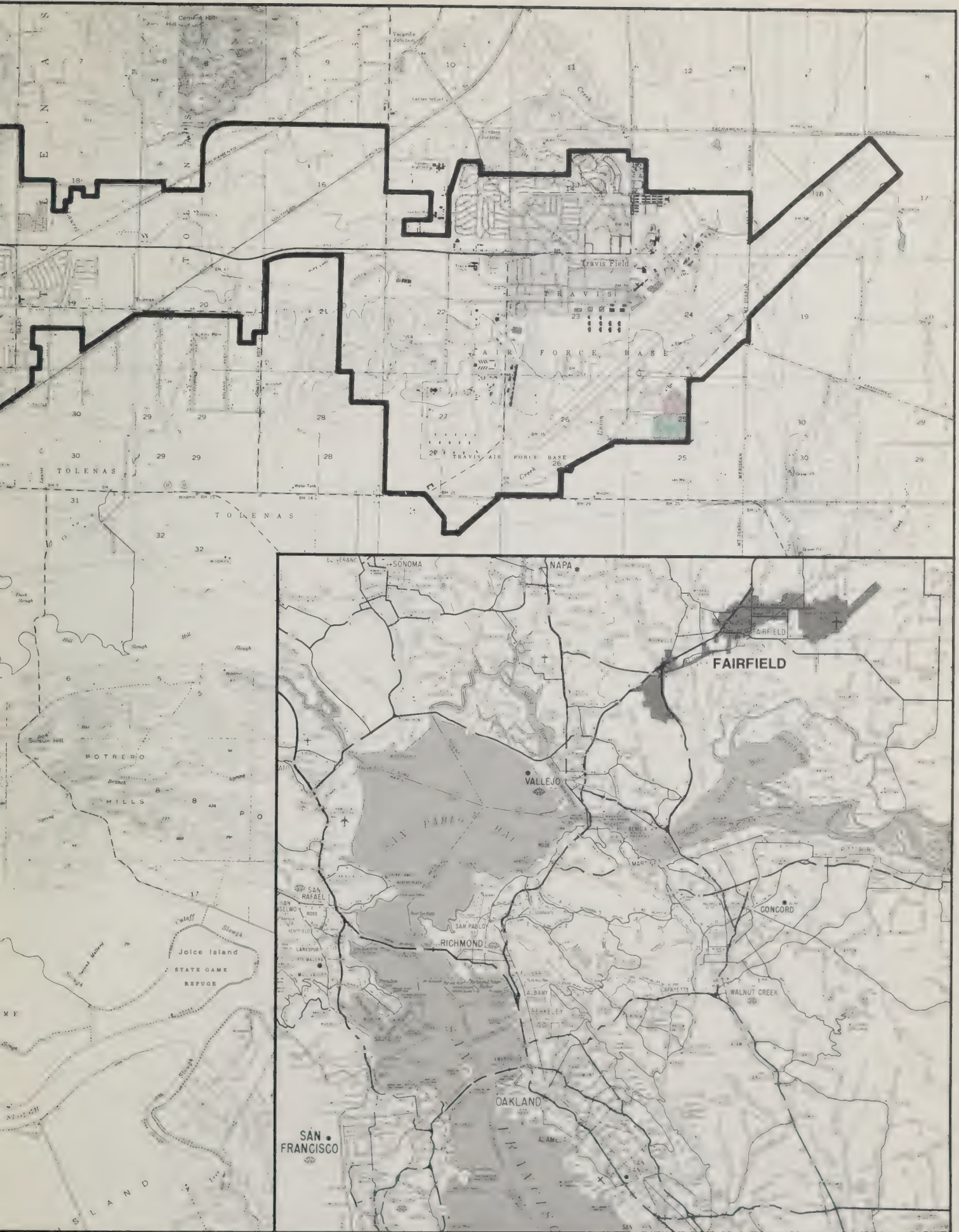
⑦ Interest income on cumulative surplus at 5%.

⑧ Projected coverage of Series A and Series B bond under lease, as amended: (Total Revenue — [Tax Levy + Interest Income + Operating Expense + Travis Bond Service Charge]) + Debt Service (Series A + B) = Coverage.



Outlined in black are the boundaries of the City of Fairfield. The two shaded areas, to the left, labeled Cordelia Properties, Ltd. and Anheuser-Busch, Inc. constitute the improvement district. Base map reproduced courtesy of James M. Montgomery, Consulting Engineers, Inc.

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The Travis Wastewater Authority was formed under a joint exercise of powers agreement between the City of Fairfield and the Fairfield-Suisun Sewer District, dated November 4, 1975. The authority is empowered to do the following:

- Construct, establish, and maintain sanitary sewerage and sewage disposal facilities;
- Collect, control, treat, and dispose of wastewater from Travis Air Force Base;
- Finance, acquire, construct, improve, and reconstruct facilities for collection, transportation, control, conservation, treatment and disposal of wastewater emanating from Travis Air Force Base.
- Issue 1941 Act revenue bonds under section 54300, *et seq.* of the Government Code of the State of California;
- Contract to provide sewerage service for Travis Air Force Base;
- Collect rates and charges for sewerage services;
- Incur debts, liabilities, and obligations which are not debts, liabilities, or obligations of either the city or the district;
- Sue and be sued in its own name;
- Invest moneys not required for the immediate necessities of the authority.

The authority is limited in its exercise of powers to the geographical area of Travis Air Force Base, and to provide service related to sewage collection, transportation, treatment, and disposal. Further, the authority is limited to financing and construction of transmission facilities for wastewater from Travis AFB to the treatment plant, and financing the air base share of capacity costs in the treatment facility. Bond proceeds for the transmission facilities are to be deposited in a transmission phase proj-

ect construction fund. Proceeds for the treatment capacity charge are to be deposited in the Revenue Anticipation Note Account held by the RAN fiscal agent.

The city council of the City of Fairfield is the board of directors of the authority.

- Bill Jenkins, Mayor, has been on the council for two years. He is the first directly elected mayor of the city. He is currently on leave from the Solano County Probation Department, where he has been employed as a counselor for more than eight years.
- Gary Falati, Vice-Mayor, is in the third year of his first four-year term. He has been teaching business and commerce at Armijo High School in Fairfield for the past two years. Previously, he was employed in municipal recreation administration for the City of Fairfield.
- Manuel Campos is in the third year of his fourth four-year term on the council. He was mayor for two years twice during these terms. Mr. Campos is the owner and operator of a chain of grocery stores in Solano County.
- Loyal Hanson is in the first year of his third four-year term on the council. Earlier, while on the council, he served two years as mayor. He is employed as an electrical engineer at Travis Air Force Base.
- G. Ben Huber was appointed recently to fill out the council term of Bill Jenkins. Prior to his appointment to the council, Mr. Huber served ten years on the Fairfield City Planning Commission. He is executive vice president of Explosive Technology, a wholly-owned subsidiary of OEA, Inc., a firm engaged in the design and manufacture of sophisticated explosive devices.

For a complete statement of the provisions of the joint exercise of powers agreement, reference should be made to the document included in an appendix under separate cover.

TRAVIS AIR FORCE BASE

Travis Air Force Base occupies over 5,000 acres in the eastern area of Fairfield, and is within the city limits of Fairfield. It is the largest installation of the Military Airlift Command, and the city's largest employer. The air base was established in 1942. The current level of investment in land, improvements, and equipment by the Air Force is \$2.388 billion.

The base is headquarters for the 22nd Air Force, Pacific Arm of the Military Airlift Command, serving an area which extends from the Mississippi River to India. Travis AFB is also headquarters of the 60th Military Airlift Wing, largest airlift wing in the world, and the only one flying both C-5 Galaxies and C-141 Starlifters. The base is also headquarters for 916th Air Refueling Squadron of Strategic Air Command, equipped with KC-135 Stratotankers.

The base is one of three in the world to be assigned the C-5 Galaxy, the newest Air Force transport and the world's largest aircraft. Modifications to the base facilities have been made to handle the 40 authorized C-5 aircraft, and include a new maintenance dock, fuel cell repair facility, jet engine test cell, a field maintenance hangar and a pull-through hangar which is 190 feet high and has 77,000 square feet of floor space.

The base has two 11,000-foot runways. Jet fuel is supplied to the base by pipeline at a rate of about 10 million gallons per month. With the recently completed new freight terminal, base cargo handling capacity has been expanded to 30,000 tons per month, with additional capacity to handle 60,000 tons per month under emergency conditions. The passenger terminal is capable of handling 7,700 passengers per day.

As of April 1976, the base had 9,800 military personnel and employed 2,800 civilians with an additional 550 civilians in non-fund appropriated jobs (base exchange, recreation, etc.). The civilian payroll at Travis is \$30 million per year. In addition, the air base spent \$3.761 million in Solano County for contract services during 1975.

On base facilities include three elementary schools and a high school, average daily attendance 1,800, which are operated by Travis Unified School District. The 52,000 square-foot base exchange was completed in 1974 as part of the base shopping center, which also includes a credit union and a branch of Bank of America.

The shopping center parking lot is about 30,000 square yards. Commercial sales at the base exchange were about \$10 million in 1975. The base commissary is a 62,000 square-foot facility which has commercial sales of about \$1 million per month, based on a total of \$12 million in 1975.

Base recreation facilities include two gymnasiums, a small one with basketball court and locker-shower facilities; and a large one with basketball court, exercise rooms, handball courts, sauna, steambath, and full locker-shower facilities. The base golf course is a championship, 18-hole course with a professional rating of 71.9. There are two base swimming pools and one at the officers' club. In addition, the base has eight lighted tennis courts and a stable area with barns and a rodeo arena. The recently completed base hobby shop includes auto, electronics, wood work, metal work, jewelry, lapidary, ceramics, painting and art shops. The base library and base theatre complete the recreation facilities.

Base housing includes 2,158 units of family housing, 50 mobile home spaces, 21 BOQ units, and 37 barrack units capable of housing 2,850. Religious services for base personnel are conducted by seven chaplains, representing all major denominations, in three chapels.

The David Grant USAF Medical Center at Travis Air Force Base is the second largest hospital operated by the Air Force. A staff of 1,100 serves 355 beds (plus 200 beds in the Aeromedical Staging Facility) and over 28,700 outpatients monthly.

The air base currently has its own sewerage facilities, including a treatment plant. However, the effluent requirements which become effective July 1, 1977 would mandate costly alterations and additions to the existing facilities. Therefore, the Air Force has contracted with the authority for sewer services. The air base is currently constructing trunk and interceptor sewers on base to convey raw sewage to point of connection to the authority's transmission facilities.

The air base received water service under a contract with the City of Vallejo. The base has its own water treatment facility on the Vallejo transmission main which carries water from Cache Slough to Vallejo.

Gas and some electric utilities service is provided the air base by Pacific Gas and Electric Company. Most electric service is provided by the Bureau of Reclamation.

BRIEF HISTORY

Fairfield was named, laid out, and established as the seat of Solano County by the renowned seafarer Capt. Robert H. Waterman. In command of Howland & Aspinwall's tea clipper "Sea Witch," Capt. Waterman cleared Kowloon harbor January 9, 1849 and dropped anchor in New York on March 25. The elapsed Hong Kong-New York time under sail of 74 days and 14 hours—achieved on the homeward leg of his honeymoon voyage—has never been matched.

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Upon retirement from the sea, Capt. Waterman purchased land for farming and cattle ranching in Suisun Valley. He named his settlement after his Connecticut birthplace, Fairfield, and a nearby hamlet after his wife Cordelia. He donated land now occupied by the Solano County Courthouse and other buildings. The city was incorporated in 1903.

LOCATION

Fairfield is located in Solano County, California, midway between San Francisco and Sacramento. Fairfield is the county seat. The city lies in a large valley surrounded by rolling hills and draining southerly toward Suisun Bay, an extension of San Francisco Bay. Elevation is 15 feet above sea level.

Fairfield is on major transportation routes between Sacramento and the San Francisco Bay Area. Interstate Highways 80 and 680, the Southern Pacific mainline, and a Western Pacific branch line run through the city. The Benicia-Martinez and Carquinez Bridges provide convenient access from Fairfield to industrial areas across Suisun Bay in Contra Costa County.

The city is 44 miles northeast of San Francisco and 42 miles southwest of Sacramento. Vallejo, largest city in Solano County (71,000 population), is 14 miles southwest of Fairfield. Other nearby cities are Suisun City (4,500) at Fairfield's southern boundary; Vacaville (27,850), 8 miles northeast; Rio Vista (3,160), 22 miles east; Benicia (10,350), 15 miles south; and Napa (46,150), 21 miles west.

Fairfield is noted for its moderate climate. The area is protected from ocean fogs by a low range of hills, yet is cooled by prevailing sea breezes during the summer. Good visibility and a climate free from extremes were

factors which influenced location of Travis Air Force Base. Favorable climate is one of the principal reasons for the area's continuing residential growth.

POPULATION AND AREA

According to Department of Finance statistics, city population is currently estimated at 50,036. It has increased to more than three times that of the 1960 census. The largest change in population occurred in March 1966, when Travis Air Force Base was annexed to the city. This added approximately 17,000 residents to the population of the city.

The incorporated area of the city has grown through annexation of major areas and subdivisions. The annexation of Travis Air Force Base more than doubled the city's area. In 1971, the city annexed 3,700 acres in the Cordelia area to the west of the city. The current area of the city is 23.12 square miles.

The following table summarizes the city's population, the population of the contiguous City of Suisun City, and the population of Solano County.

**CITIES OF FAIRFIELD, SUISUN CITY, AND
SOLANO COUNTY
POPULATION^①**

Year	City of Fairfield	City of Suisun City	Solano County
1940.....	1,312	706	49,118
1950.....	3,118	946	104,833
1960.....	14,968	2,470	134,597
1970.....	44,146	2,917	171,989
1971 ^②	46,250	n.a.	177,500
1972 ^②	48,450	2,920	179,800
1973 ^②	49,400	3,000	181,800
1974 ^②	49,400	2,610	179,500
1975 ^②	49,000	2,420	182,500
1976 ^②	50,036	—	—

^① U. S. Census.

^② State Department of Finance.

EMPLOYMENT

The Vallejo-Fairfield-Napa Standard Metropolitan Statistical Area (SMSA) includes all of Solano and Napa Counties. The two counties' combined population is 270,000, of which Solano comprises 67 percent.

The accompanying table summarizes employment by industry since 1970. During these six years, the categories of government, trade and services have experienced the greatest changes. Federal government decreased through 1973, while state and local government increased, caused in part by revenue sharing and realignment of federal jobs to the state and local level. Federal employment increased 2,400 between April 1974 and April 1975, due to expansion of defense payrolls.

Employment figures above and in the table below are based on place of work. In January 1976 the SMSA's civilian labor force based on place of residence was 98,200.

INDUSTRIAL DEVELOPMENT

Since 1964, over 150 industrial firms have located in Solano County, with a total investment of about \$400 million. There are nine areas zoned for industrial park use to encourage new industrial development. Each park has distinctive features to attract certain types of industry.

Benicia Industrial Park. The Benicia Industrial Park was formed in 1965 as a result of an agreement between the City of Benicia, which had recently purchased title to the abandoned U.S. Army Arsenal and facilities, and Benicia Industries, Inc.

The Benicia facility is the largest port-oriented industrial park on the West Coast and consists of 4,000 acres, both level and low rolling terrain, extending up to three miles inland from the Carquinez Strait and two and one-half miles along the shore. Current planned development involves 3,000 contiguous acres with access to two adjacent freeways, the main line of the Southern Pacific Railroad, and deepwater port facilities. Warehouse and manufacturing space now exceeds 2,000,000 square feet.

The park's deepwater shipping facilities include a 2,400-foot pier which can simultaneously accommodate three vessels up to 38-foot draft. As federal funds become available, the depth is expected to be increased to 45 feet as a result of a U.S. Army Corps of Engineers project to deepen the Baldwin shipping channel. Park plans provide for the development of the Benicia facilities into a major Bay Area bulk cargo and container port with additional berthing facilities.

Exxon Company, U.S.A., occupies 400 acres which it owns in the park. It employs a labor force of 350. The company's refinery began operation of its \$170 million plant in January 1969. Some crude oil is received from adjacent Southern Pacific pipelines, but 95 percent is delivered by tankers docking at the Exxon pier on Carquinez Strait. Approximately 72,000 barrels of oil products are processed each day. Shipment of refined products is by truck, pipeline, and ocean vessels, primarily throughout the western United States.

Other tenants among the more than 70 businesses located in the park since its opening in 1965 include J. C.

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VALLEJO-FAIRFIELD-NAPA SMSA^① EMPLOYMENT BY INDUSTRY GROUP (000)^②

	1970	1971	1972	1973	1974	January 1976
Agriculture and mining.....	4.3	4.1	4.1	4.3	4.7	4.1
Construction	2.2	2.7	2.7	2.8	2.7	3.1
Manufacturing						
Durable goods	2.6	2.7	2.7	3.2	3.7	3.8
Food and kindred.....	2.6	2.7	2.4	2.6	2.5	2.1
Other nondurable goods.....	1.9	2.0	2.0	2.1	2.1	2.0
Transportation, communication, utilities	3.7	3.6	3.9	3.9	3.9	3.6
Trade	12.3	12.7	13.3	14.0	14.0	14.4
Finance, insurance, real estate.....	1.7	1.9	2.0	2.1	2.1	2.2
Services	10.8	10.9	11.9	12.8	13.2	14.4
Government	30.6	30.2	30.2	29.5	31.7	34.9
Total Civilian Employment.....	72.7	73.5	75.2	77.3	80.6	80.6
Average Annual Unemployment.....	5.7%	6.0%	5.3%	5.1%	5.4%	6.7% ^③

① Solano and Napa Counties.

② Employment by place of work.

③ Seasonally adjusted unemployment rate for January only.

Source: California Employment Development Department.

Penney Company, Inc., Chevron Chemical, Ace Hardware, Owens-Illinois, and Fibreboard Corporation.

Several brands of imported automobiles come through the Benicia port facility. Toyota Motor Sales USA established an automobile debarkation and distribution center in the Benicia Industrial Park in 1970. Nissan Motors Corporation commenced importing Datsun vehicles in June 1975 through the port. In addition, Dodge Colt and L. U. V. truck imports are handled through the Benicia port, and British Motor Car Distributors is a tenant in the industrial park.

Other Industrial Parks. Vaca Valley Industrial Park, owned and operated by the Crocker-Land Company, is located at the junction of I-80 and I-505. It has ready access to Southern Pacific Railroad service and the nearby Nut Tree County Airport. The park encompasses 1,900 acres and is designed to accommodate diverse types of industrial and commercial tenants. American Home Foods, one of the county's largest taxpayers, has occupied 100 acres for six years.

A new industrial park is scheduled for development in Vallejo, with a grant from the Economic Development

SOLANO COUNTY MAJOR EMPLOYERS

Firm	Location	Number of Employees	Product/Service
100 or More Employees			
Mare Island Naval Shipyard.....	Vallejo	15,935.....	Shipyard
Travis Air Force Base.....	Fairfield	13,000.....	National security
100-999 Employees			
California Medical Facility, Dept. of Corrections.....	Vacaville	710.....	Correctional institution
American Home Foods, Inc.....	Vacaville	400-600.....	Canned specialties
Exxon Company	Benicia	375.....	Petroleum refining
Syar Industries, Inc.....	Vallejo	300.....	General contracting, distribution ready-mixed concrete and building materials
Times-Herald	Vallejo	215.....	Newspaper and printing
Basic Vegetable Products.....	Vacaville	200-700.....	Dehydrated onions and garlic
Ace Hardware Corporation.....	Benicia	175-200.....	Wholesale hardware
E-T Industries, Inc.....	Benicia	170.....	Aluminum auto wheels
Campco Ventures, Inc.....	Fairfield	150.....	Life preservers, sleeping bags, camping items
Explosives Technology	Fairfield	150.....	Sophisticated explosive devices for aerospace and related industries
General Mills, Inc., Sperry Division....	Vallejo	138.....	Flour
Kaiser Steel Corporation.....	Vallejo	130.....	Offshore platforms
Blackwelder's	Rio Vista	114.....	General contracting; distributing concrete and building materials
Army & Air Force Exchange.....	Benicia	102.....	Serving military exchanges
50-99 Employees			
U.S. Dept. of Commerce, Maritime Administration	Benicia	95.....	Ship preservation
Westinghouse Electric Corp.....	Vallejo	88.....	Engineering and drafting
Brooks, Royce L., Inc.....	Benicia	80-150.....	Security service
Sheldon Oil Company.....	Suisun	80-100.....	Distributing petroleum products
Sperry Systems Manufacturing Div.....	Benicia	80.....	Engineering
Benicia Manufacturing Company.....	Benicia	75.....	Automobile parts
Solano Meat Packing Company.....	Vallejo	65.....	Meatpacking
Suncrest Homes	Vacaville	60-170.....	Mobile homes
Oregon Pacific Industries.....	Cordelia	60.....	Wholesale lumber
Benicia Import Auto Service.....	Benicia	55.....	Auto servicing
Coachmen Industries of California....	Vacaville	55.....	Travel trailers and campers
Star Airline Catering.....	Fairfield	50.....	Airline and institutional caterers

Source: Solano County Industrial Development Agency.

Administration. The industrial park site is adjacent to two new industries in Vallejo: Kaiser Steel and Peter Kiewit Sons' Company. The Kaiser Steel plant, a \$5 million investment, constructs and assembles off-shore drilling platforms, and will employ 200 at full production. Peter Kiewit Sons' Company's facility is the headquarters for the marine construction division, including offices, concrete pile manufacturing, and a fleet of construction vessels.

A large area is planned for industrial park development in Dixon along I-80. The area is close to the University of California at Davis Campus. T. H. Richards Canning Company is constructing a new \$5 million plant near Dixon to process tomatoes into tomato paste.

The unincorporated community of Collinsville is the largest area of undeveloped acreage on the deepwater shipping channel. It is within the county free library district. Dow Chemical Company has announced an option on 2,700 acres near Collinsville for a petrochemical plant to make the raw materials for plastics. The Collinsville site will be part of a \$500 million complex in Solano and Contra Costa Counties, with the two facilities joined by a five-mile underground pipeline crossing the Sacramento River. Employment in the two counties will be about 1,000, with 400 in Solano. Construction will be phased over six to seven years. National Steel Corporation and Southern Pacific together own a parcel of 4,200

acres. In addition, Southern Pacific Company owns another 500 acres as sole owner. Pacific Gas & Electric Company owns 1,200 acres.

Arco Chemical Company has taken an option on 3,400 acres between Fairfield and Rio Vista. They plan to invest \$1 billion in a major petrochemical plant. Construction is scheduled to begin in 1978, and be completed in two years. Employment in 1980 is estimated at between 1,000 and 2,000. This site is also within the county free library district.

ANHEUSER-BUSCH BREWERY

Anheuser-Busch, Inc. is constructing a brewery in Fairfield at a cost of about \$100 million. The brewery, occupying a 105-acre site on a 340-acre parcel adjacent to I-80, is scheduled to commence operation in October 1976. It will have an annual capacity of 3.5 million barrels of beer and will be Fairfield's largest private employer with 400 employees. The county assessor estimates that the brewery will increase the assessed valuation of Fairfield more than \$30 million when completed.

Anheuser-Busch, Inc. is the nation's largest brewery in terms of beer brewed and sold. The company currently sells over 23 percent of the beer consumed in the United States.

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New Anheuser-Busch brewery scheduled for completion October 1976. The 3.5 million barrel per year brewery will add more than \$33 million assessed valuation to the improvement district. (Photo by Skyview Photos II, Napa, California, taken May 21, 1976.)



BALL METAL CONTAINER GROUP

Ball Metal Container Group has completed construction of a \$28 million plant on their 20-acre site in the Southern Pacific Industrial Park in Fairfield. The plant will employ about 200 people manufacturing cans for the Anheuser-Busch, Inc. brewery. The plant uses no process water, therefore, it is considered a commercial sewer user, producing domestic sewage.

MANUFACTURING

Solano County is home for a diverse range of manufacturers. Fabricated metal and related products are primarily manufactured in the Vallejo-Benicia and Rio Vista areas, where access to the deepwater shipping channel provides ready transportation.

Food and kindred product manufacturing and production is one of the most important industrial activities in Solano County. Processors in Dixon and Vacaville are located in the center of the agricultural areas. General Mills is located in Vallejo, a short distance from the county's food producing and farming region.

Light manufacturing includes three mobile home and recreational vehicle manufacturers in the Vacaville area, a textile producer in Fairfield, and various ready-mix concrete producers.

Companies producing machinery, parts, and other metal products in Solano County include Westinghouse Electric, Babcock & Wilcox, International Manufacturing, and Blackwelder Manufacturing.

CORDELIA VILLAGES

Cordelia Properties, Limited, a limited partnership owns a 2,510-acre site in the Cordelia area of Fairfield. The limited partnership is planning a new community on the site to be called Cordelia Villages. The community plan includes a mixed residential development of 5,300 single family, townhouse, and multiple family dwelling units, a community center, shopping facilities, and ample open space.

The limited partnership is currently in bankruptcy under Chapter 12 in the United States District Court, Northern District of California, in San Francisco.

TRANSPORTATION

Fairfield is midway between San Francisco and Sacramento, and is well served by highways and roads. I-80 is a full freeway for its entire distance between these two cities. State Highway 12, a major east-west route, runs from Santa Rosa and Napa through Fairfield to Rio Vista and Lodi.

The Luther B. Gibson Freeway, redesignated Interstate 680, provides freeway access from the Cordelia area of Fairfield south to the Benicia-Martinez bridge. By providing direct access via Interstate 680, this \$10 million freeway permits traffic to bypass San Francisco

and Oakland in going from Fairfield to the environs south of San Jose.

The transcontinental line of Southern Pacific passes through Fairfield, as does the Sacramento Northern Railroad, which connects to Western Pacific in Sacramento. Three truck lines provide regular common carrier service to the city. Two transcontinental bus lines, Pacific Greyhound and Continental Trailways, serve the city, and a local bus line connects downtown Fairfield, Travis Air Force Base, and nearby communities. Three private airports and one county airport are within ten miles of Fairfield.

THE WATER SYSTEM

Fairfield has owned and operated its municipal water system since 1926. The city has made continuing improvements and obtained new sources of supply to meet the demands of growth. The system currently has two treatment plants, the 3 million gallon per day (mgd) Ray Venning Treatment Plant and the 10 mgd Dickson Hill Treatment Plant. The outstanding bonded debt for water purposes is \$905,000.

Water mains have been financed primarily by subdividers or through formation of assessment districts. Major transmission mains have been financed from net water revenues and other system income.

City of Fairfield Water Facilities Improvement District No. 1 sold \$12,500,000 of bonds in 1974 to finance construction of a new 15 million gallons per day treatment plant, a 10 million gallon reservoir, and transmission mains. Construction was completed in 1975. Principal and interest on the bonds is being paid from city water division revenues.

The system is a division in the public works department with 18 full-time employees under the direction of the water superintendent.

Primary source of water supply for the city is the Solano Project of the Bureau of Reclamation. The Solano County Flood Control and Conservation District has contracted with the Bureau for an ultimate supply of 247,000 acre-feet per year, primarily for irrigation. The City of Fairfield has contracted with the district for a maximum of 9,200 acre-feet, to be delivered through the Putah South Canal.

Fairfield has taken water from the Putah South Canal of the Solano Project since 1961, and the 10 mgd Dickson Hill plant utilizes this source. The city received 5,019 acre-feet from the Solano Project in 1975 out of a total city supply of approximately 7,436 acre-feet.

The city signed an agreement on January 8, 1974 providing for the purchase of up to 6,000 acre-feet of additional Solano Project water from the Solano Irrigation District in exchange for effluent from the new tertiary wastewater treatment plant to be completed in Fairfield in August 1976. The purchase price will not exceed the \$15 per acre-foot currently paid by the city for other Solano Project water.

CITY OF FAIRFIELD
TRADE OUTLETS AND RETAIL SALES

	1970	1971	1972	1973	1974	1975
Trade Outlets (July 1)						
Retail stores	229	240	271	285	290	296
All other outlets	161	196	204	216	233	266
Total All Outlets	390	436	475	501	523	562
Taxable Sales (\$000's)						
Apparel	\$ 3,230	\$ 3,363	\$ 3,266	\$ 3,104	\$ 3,074	\$ 2,909
General merchandise	9,288	10,137	14,603	18,462	21,675	20,058
Drug	2,418	2,682	3,262	3,994	4,754	4,766
Food	3,819	4,187	4,688	4,802	5,806	7,221
Packaged liquor	903	1,160	1,827	1,816	1,844	1,802
Eating and drinking	4,531	5,869	8,132	9,352	10,589	11,800
Home furnishings, appliances	2,724	3,180	3,516	3,270	3,644	3,582
Building materials, farm implements	2,722	3,621	3,641	4,607	5,391	6,840
Auto dealers and auto supply	11,568	15,029	16,332	17,494	16,372	20,938
Service stations	847	947	5,021	9,125	11,751	12,902
Other retail stores	2,979	4,203	4,561	4,732	5,125	6,026
Retail Stores Total	\$45,029	\$54,378	\$68,849	\$80,758	\$90,025	\$ 98,844
All other outlets	3,482	3,192	5,703	7,175	8,192	11,511
Total All Outlets	\$48,511	\$57,570	\$74,552	\$87,933	\$98,217	\$110,355

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The city has a contract with the City of Vallejo for delivery of water from Vallejo's Cache Slough diversion works. The present agreement with Vallejo provides for purchase of surplus water by Fairfield. The present Fairfield-Vallejo agreement extends to 1982, and Vallejo probably will discontinue service to Fairfield at an indefinite future time when the full supply is needed in Vallejo.

Fairfield's supply from Cache Slough is delivered through the Ray Venning Treatment Plant, which has capacity to treat all water which can be obtained from this source.

An additional future source of water is the North Bay Aqueduct, a part of the California State Water Plan. Part of the aqueduct is now in service, and the section through Fairfield is expected to be operational in about 1980.

The city has a fire insurance rating of 4 from the Insurance Service Office of California which recently completed a resurvey of the city for fire insurance purposes. The newly completed water system expansion was largely responsible for the 4 rating.

TRADE

Fairfield's trade area includes almost all of the central portion of Solano County. Commercial activity is concentrated in the downtown area and in a strip commercial development on the main street through Fairfield. The Fairfield central business district has seven municipal off-street parking lots.

Six banks are located in Fairfield. Bank of America has two branches in the city and one at Travis Air Force Base, and Lloyds Bank, Bank of Fairfield, Security Pacific National Bank, Vaca Valley Bank, and Wells Fargo Bank have branches in the city. Bank of Fairfield plans to open a second branch on June 15, 1976.

Trade outlet and retail sales activity is summarized in the accompanying table, based on reports of the State Board of Equalization.

Two major developments are leading the commercial development of Fairfield. S. S. Kresge Co. is expanding its shopping center in the north area of the city which currently contains a supermarket, department store, and drugstore. J. C. Penney has a 97,000-square foot department store near I-80 in Fairfield as the first element of a planned regional shopping center.

Agricultural production in the Suisun Valley consists of fruits, nuts, and vineyard products as well as poultry and livestock, for which Fairfield and nearby Suisun are processing and shipping points.

COMMUNITY FACILITIES

The city has three hospitals, Fairfield, Intercommunity, and Solano County, with a total of 225 beds. Thirty-one physicians and surgeons and 25 dentists practice in the community. In addition, the USAF hospital at Travis serves active and retired military personnel and their dependents. Intercommunity Hospital is constructing a



Suisun Marsh is a popular spot for hunting ducks, geese and pheasants. (*Solano Industrial Development Agency photo.*)

\$7,000,000 facility to replace the existing hospital. Completion is scheduled for November 1976.

One newspaper, the Daily Republic, is published in Fairfield. Vallejo daily newspapers give comprehensive coverage to news of the city, and Sacramento and San Francisco Bay Area papers are circulated in Fairfield.

Reference service and a circulating collection are available at the county library headquarters in Fairfield.

Fairfield has 30 churches serving all major denominations. Many civic, fraternal, service, and veterans organizations are active in the community.

Fairfield has a 45-acre community park and five neighborhood parks. The city has acquired 384 acres for future development as a municipal golf course and regional park.

The city imposes a park and recreation charge on new subdivisions, based on the number of bedrooms. Income from this source in 1974/75 was \$105,480, all of which is to be applied to capital outlay for park purposes.

The sloughs between Fairfield and Suisun Bay have great recreation potential for boating, fishing and hunting.

EDUCATION

Fairfield is in the Fairfield-Suisun Unified School District and the Travis Unified School District. The Fairfield-Suisun District has 19 schools within the city. The Travis Unified School District serves Travis Air Force Base almost exclusively and its major source of financial support is the federal government. There are four high schools in the area, Armijo, Fairfield, Vanden (Travis Air Force Base), and Sam Yeto Continuation High School.

Solano Community College is a two-year college located near Fairfield, serving all of Solano County except Winters, Davis, and River Delta school districts. Most students live within 15 minutes driving time in Fairfield, Vacaville, and Vallejo.

The school offers Associate of Arts and Science degrees. Students transferring to a four-year institution primarily choose University of California at Davis or Berkeley, or California State University at Sacramento or Sonoma.

Vocational students composed about half of the student body in spring of 1973. Local firms are able to draw from a supply of trained personnel from such fields as airframe maintenance, powerplant maintenance, welding technicians, automotive mechanics, electronics and others. A special program in cooperation with the Navy provides an apprentice school at Mare Island Naval Shipyard in Vallejo. Practical shop work is done in 18 shipbuilding trades, and Solano Community College provides instruction geared to meet needs of apprentices and journeymen of the various trades at Mare Island.

The campus of the University of California at Davis is partially within Solano County. Originally a university farm, the campus has become one of the state's most diverse campuses. Natural and biological studies and research are still important academic activities.

The California Maritime Academy in Vallejo is the only maritime academy on the West Coast, and one of five in the nation. Currently about 250 students are enrolled in a three-year program leading to a degree in either nautical science or marine engineering. The academy is funded by the state and the federal Maritime Administration. The Golden Bear, a vessel with a 10,000-ton displacement, serves as the training ship for the maritime academy.

CHARLES B. WOOD

CERTIFIED PUBLIC ACCOUNTANT

744 EMPIRE STREET, ROOM 206

FAIRFIELD, CALIF. 94533

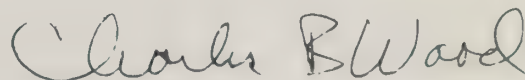
707-422-8540

October 23, 1975

Board of Directors
Fairfield-Suisun Sewer District

I have examined the accompanying statement of assets and liabilities arising directly from cash transactions of the Enterprise Fund, the Construction Fund, the Special Revenue Fund, the Bond Fund, and the General Long Term Debt Group of Accounts as of June 30, 1975 and the related statements of revenue and expenditures for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances, except that no auditing procedures were performed on the general fixed assets group of accounts for assets acquired before July 1, 1964.

In my opinion the accompanying financial statements present fairly the assets and liabilities of the funds of The District at June 30, 1975 arising directly from cash transactions, and their revenues collected and cash expenditures for the year then ended with the exception that I do not express an opinion on the assets acquired before July 1, 1964.



Certified Public Accountant

FAIRFIELD-SUISUN SEWER DISTRICT

June 30, 1975

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| C | Special Revenue Fund - Statement of
Revenue and Expenditures |
| D | Bond Fund - Statement of Revenue and
Expenditures |
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and Expenditures and Fund Balance |

FAIRFIELD-SUISUN SEWER DISTRICT

COMBINED STATEMENT OF ASSETS AND LIABILITIES - ALL FUNDS

June 30, 1975

	<u>EXHIBIT A</u>				
<u>ASSETS AND OTHER DEBITS</u>	<u>Enterprise Fund (1)</u>	<u>Special Revenue Fund (2)</u>	<u>Bond Fund</u>	<u>Construction Fund (3)</u>	<u>General Long Term Debt</u>
Cash	\$ 965,893	\$44,018	\$	\$258,264	\$
Cash with Fiscal Agents			10,622		
Due from General Fund			10,957		
Land	68,084				
Trunk Lines, Project Unit No. 1	1,282,491				
Treatment Plant, Project Unit No. 2	907,669				
Oxidation Ponding System	576,156				
Machinery and Equipment	20,269				
Amount to be provided for Retirement of bonds					2,545,000
Assets acquired before 7/1/64	1,271,471				
Additions since 7/1/64	51,518				
Accumulated depreciation	<u>(3,275,497)</u>				
 TOTAL ASSETS AND OTHER DEBITS	 <u>\$1,868,054</u>	 <u>\$44,018</u>	 <u>\$21,579</u>	 <u>\$258,264</u>	 <u>\$2,545,000</u>
 <u>LIABILITIES</u>					
Due Bond Fund	\$ 10,957	\$	\$	\$	\$
Matured Bonds and Interest Payable			21,579		
General Obligation Bonds Payable					
1956 Series					555,000
1965 Series					<u>1,990,000</u>
 TOTAL LIABILITIES	 \$ 10,957	 \$ 0	 \$21,579	 \$ 0	 \$2,545,000
 <u>FUND BALANCES AND INVESTMENTS</u>					
Investment in General Fixed Assets	1,316,144				
Fund Balance	<u>540,953</u>	<u>44,018</u>		<u>258,264</u>	
 TOTAL LIABILITIES, FUND BALANCES AND INVESTMENTS	 <u>\$1,868,054</u>	 <u>\$44,018</u>	 <u>\$21,579</u>	 <u>\$258,264</u>	 <u>\$2,545,000</u>

The accompanying letter is an integral part of this statement.

CHARLES B. WOOD
CERTIFIED PUBLIC ACCOUNTANT

FAIRFIELD-SUISUN SEWER DISTRICT

ENTERPRISE FUND

STATEMENT OF REVENUE AND EXPENDITURES
For the Fiscal Year Ended June 30, 1975

Revenue

EXHIBIT B

Sewer Service Charges	\$486,367
Interest	54,314
Property Taxes	160,036
Federal Grant	36,320
Homeowners Property Tax Exemption	26,017
Miscellaneous	<u>690</u>

Total	\$763,744
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Expenditures

Depreciation	\$412,984
Envirotech	191,813
Permit Fees	7,385
Repairs	611
Payroll Taxes	32
Insurance	1,567
Fees	
Collection	46,102
Attorney & Directors	910
Clerk	1,400
Professional Fees	1,250
Other	<u>222</u>

Total	<u>\$664,276</u>
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Excess Revenues over Expenditures	\$ 99,468
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Fund Balance Beginning of Year	<u>441,485</u>
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Fund Balance End of Year	<u><u>\$540,953</u></u>
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The accompanying letter is an integral part of this statement.

CHARLES B. WOOD
CERTIFIED PUBLIC ACCOUNTANT

FAIRFIELD-SUISUN SEWER DISTRICT

SPECIAL REVENUE FUND

STATEMENT OF REVENUE AND EXPENDITURES
For the Fiscal Year Ended June 30, 1975

EXHIBIT C

Revenue	
Sewer Connection Charges	\$134,848
Deduct	
Expenditures	<u>143,376</u>
Excess of Expenditures over Revenues	(\$ 8,528)
Fund Balance Beginning of Year	<u>52,546</u>
Fund Balance End of Year	<u>\$ 44,018</u>

The accompanying letter is an integral part of this statement.

CHARLES B. WOOD
CERTIFIED PUBLIC ACCOUNTANT

FAIRFIELD-SUISUN SEWER DISTRICT

BOND FUND

STATEMENT OF REVENUE AND EXPENDITURES
For the Fiscal Year Ended June 30, 1975

EXHIBIT D

Revenue

Service Charges	\$ 63,650	
Sewer Connection Charges transferred in from Special Revenue Fund	<u>143,376</u>	\$207,026

Expenditures

Redemption of Bonds		
1956 Series	\$40,000	
1965 Series	<u>70,000</u>	\$110,000
Interest		
1956 Series Bonds	\$23,650	
1965 Series Bonds	<u>73,158</u>	96,808
Paying Agent Fees	<u>218</u>	\$207,026

Excess of Revenues over Expenditures		<u>\$ -0-</u>
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The accompanying letter is an integral part of this statement.

CHARLES B. WOOD
CERTIFIED PUBLIC ACCOUNTANT

FAIRFIELD-SUISUN SEWER DISTRICT

CONSTRUCTION FUND

STATEMENT OF REVENUE AND FUND BALANCE

For the Fiscal Year Ended June 30, 1975

EXHIBIT E

Fund Balance June 30, 1974	\$239,133
Interest Income	<u>19,131</u>
Fund Balance June 30, 1975	<u>\$258,264</u>

The accompanying letter is an integral part of this statement.

CHARLES B. WOOD
CERTIFIED PUBLIC ACCOUNTANT

FAIRFIELD-SUISAN SEWER DISTRICT

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 1975

- (1) This year for the first time, the General Fund and the General Fixed Assets group of accounts were combined into The Enterprise Fund.

Depreciation on fixed assets was charged as an operating expense for the first time this year. Since the Sewer Board plans to abandon the Sewer Plant within two to three years, depreciation was computed using a 10-year life at straight line rates with 7 years depreciation charged to prior years and one to the current year, with 2 years remaining life.

- (2) The Special Revenue Fund consists of Sewer Connection Charges. Each year the Sewer Connection Charges received have been put into this fund. The yearly transfers out of this fund are used to pay principal and interest on the 1965 Bonds. The balance in the Fund is the remainder of all Sewer Connection Charges after all payments on the 1965 Bond Series.

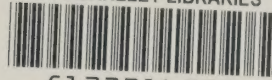
- (3) The cash in the Construction Fund is the remainder of the proceeds of the 1965 Bond issue plus accumulated interest income there on, after the expenditures for fixed assets.

CHARLES B. WOOD

CERTIFIED PUBLIC ACCOUNTANT

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